

# M Medicaid Fact Sheet 2014

## Frequently Asked Questions about Medicaid Planning.

*Q. Why do I need an attorney? Can't any Medicaid "expert" solve this problem.*

A. An attorney specifically trained in Medicaid qualification is **absolutely** necessary. Be wary of non-attorney Medicaid "experts." They are unregulated and you have zero recourse when they make a mistake. They are also usually annuity salesmen in disguise. We are regulated by the Florida Bar, we sell you no investments, we have been qualifying clients for benefits for 23 years, AND 100 percent of our Medicaid clients qualify for benefits.

*Q. If I give assets away am I ineligible for Medicaid?*

A. Yes. All gifts made after November 1, 2007 disqualify the applicant for Medicaid benefits. The disqualification starts at the time of the application for Medicaid. The disqualification must be removed by taking appropriate legal action before application is made.

*Q. What about the money in my safety deposit box? Do I have to tell anyone about it when applying for benefits?*

A. Yes. You must disclose all of your assets. Failure to do so is a felony.

*Q. Can my son take money out of our joint account without effecting my eligibility?*

A. No. Any transfer of assets from a joint account, regardless of who makes the transfer, will be considered a transfer.

*Q. Can I still give \$13,000.00 a year away?*

A. No. Many mistakenly believe that because you can give away \$13,000.00 per person per year tax free, that this is the same case with Medicaid. Unfortunately it is not, and the gift will be cause for disqualification.

*Q. Is my home protected?*

A. Yes. The home is a not counted as an asset so long as the owner has an intent to return and the value is less than \$543,000.

*Q. When I die does the state take my house?*

A. In Florida, in almost all cases, the State cannot take the home after death so long as it is considered "homestead."

*Q. Is long-term care insurance a good idea?*

A. Yes, absolutely. If you can afford long-term care insurance, and meet the eligibility requirements, the purchase of long-term care insurance is an acceptable way to manage the risk of an extended stay in a nursing home.

*Q. Does the Medicaid recipient get to keep his income?*

A. No. With a few exceptions, you are required to pay to the nursing home the total monthly income, minus \$35.00 for personal needs.

*Q. Should I wait until I need Medicaid benefits before I see an elder law attorney?*

A. No. Many of the options available to you to protect your assets are dependent on time. Therefore, the more time before the need arises the more options you have.

*Q. If I have too many assets to qualify, but need Medicaid now, is it too late to protect any assets?*

A. No. While you may have lost opportunity to use some strategies, it is never too late to protect some, if not all, of the assets.



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## Eligibility Standards for SSI-Related Programs January 2014

Coverage Group	Income Limit	Asset Limit
Supplemental Security Income (SSI) Individual*	\$ 721	\$ 2,000
Supplemental Security Income (SSI) Couple*	\$ 1,082	\$ 3,000
ICP/HCBS/Hospice/HCDA Individual	\$ 2,163	\$ 2,000
ICP/HCBS/Hospice/HCDA Couple	\$ 4,260	\$ 3,000
MEDS-AD/ICP-MEDS/Individual (88% FPL)	\$ 844	\$ 5,000
MEDS-AD/ICP-MEDS/Couple	\$ 1,138	\$ 6,000
QMB Individual (100% FPL)	\$ 958	\$ 7,080
QMB Couple	\$ 1,293	\$ 10,620
SLMB Individual (100-120% FPL)	\$ 1,149	\$ 7,080
SLMB Couple	\$ 1,551	\$ 10,620
QI1 Individual (120-135% FPL)	\$ 1,293	\$ 7,080
QI1 Couple	\$ 1,745	\$ 10,620
Working Disabled Individual (200% FPL)	\$ 1,915	\$ 4,000
Working Disabled Couple	\$ 2,585	\$ 6,000

<b>Medicare Part B Premium</b>	\$ 104.90	
<b>Medicare Part A Premiums</b>	<b>Number of Qualifying Quarters of Employment</b>	
	Free	40 or more
	\$ 243	30 to 39
	\$ 426	Less than 30
<b>Personal Needs Allowance</b>		
ICP/ICP-MEDS/Hospice (Institution)	\$ 35	
Hospice (Community ) 100% FPL	\$ 958	
<b>Spousal Impoverishment</b>		
Minimum Community Spouse Income Allowance	\$ 1,939	
Maximum Community Spouse Income Allowance	\$ 2,931	
Excess Shelter Standard	\$ 582	
Standard Utility Allowance	\$ 409	
Transfer Penalty Divisor	\$ 7,638	
Community Spouse Asset Allocation Amount	\$ 117,240	
Home Equity Interest Limit	\$ 543,000	





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## Income Limits 2014

Applicant - \$2,163 per month (gross).

Spouse - Income not counted.

## Asset Limits 2014

*Single Applicant*  
\$2,000\*

*Married Applicant*  
\$2,000 plus \$117,240 for the spouse\*

\* add \$3,000 if applicant's income is less than \$844 per month

## Jargon Cutter

**Community Spouse** - the wife or husband not in the nursing home.

**ICP** - Institutional Care Program, particular type of Medicaid that pays for nursing home care. ICP has different rules than other types of Medicaid.

**Income Cap** - the amount of gross income an applicant can have without being ineligible for benefits. If over income, an income trust is needed.

**Level of Care** - a measure of how sick an applicant is to determine eligibility.

**Miller Trust** - original name for the income trust.

**MMMIA** - minimum monthly income allowance, the amount of the applicant's income that may be diverted to the "community" spouse. (\$1,939 - \$2,931)

**Nursing Home Diversion Program** - helped pay cost of care at home and in an assisted living. Now replaced by the new Fla. Medicaid Long-term Care Program

**Resource Limit** - the amount of assets the applicant can have.

## Assets

Assets are either *countable* or *non-countable*. The most significant non-countable assets are the home (the first \$543,000), car, and irrevocable burial contract.

## Income Trust

If the applicant has too much income, an income trust must be drafted and properly funded prior to application. The applicant must transfer at least amounts over \$2,163 to the trust each month.

## Look Back Periods

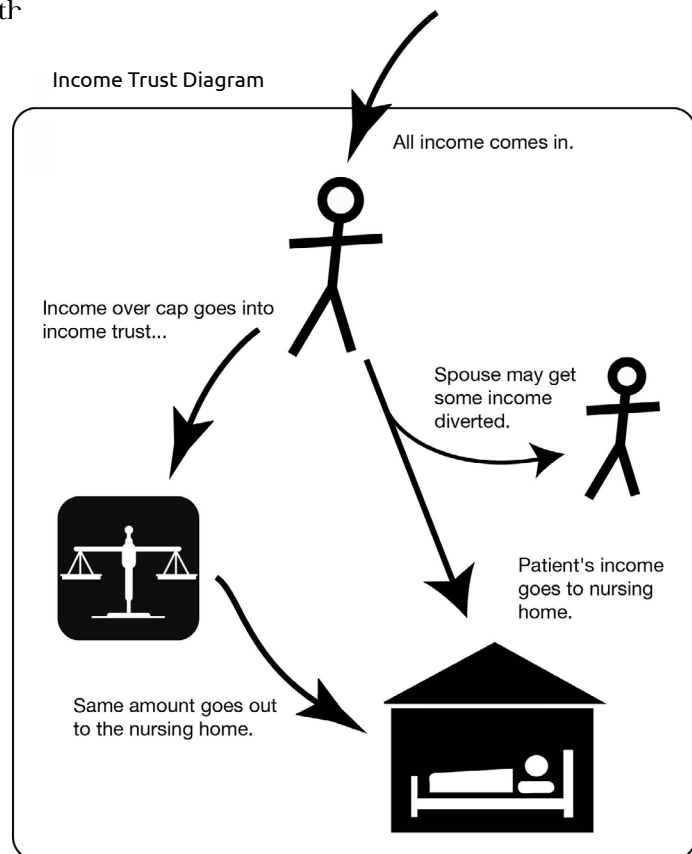
- 48 months for transfers to individuals increasing to 60
- 60 months for trusts.

## Transfer Rules and Penalties

An improper transfer of assets makes the applicant ineligible for benefits from the date of application for Medicaid benefits. There is no penalty for a transfer made to a spouse or disabled child.

Calculating the transfer penalty:

$$\frac{\text{Amount transferred}}{\div 7,638} = \text{Number of months disqualified.}$$



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